

MINUTE ITEM

14. (ASSIGNMENT OF PARTIAL INTEREST, STATE OIL AND GAS LEASE P.R.C. 2205.1, THE TECOLOTE COMPANY, SANTA BARBARA COUNTY - W. O. 3047.)

After presentation of Calendar Item 37 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ASSIGNMENT OF A PARTIAL INTEREST IN STATE OIL AND GAS LEASE P.R.C. 2205.1 FROM THE TECOLOTE COMPANY, A NEBRASKA CORPORATION, TO A JOINT VENTURE COMPRISING PETER KIEWIT SONS' CO., A NEBRASKA CORPORATION; COKER CONSTRUCTION, INC., A DELAWARE CORPORATION; CONDON-CUNNINGHAM, INC., A NEBRASKA CORPORATION; W. CLARKE SWANSON, AN INDIVIDUAL; AND GILBERT C. SWANSON, AN INDIVIDUAL, SUBJECT TO THE FOLLOWING:

1. SUBMISSION OF EVIDENCE OF QUALIFICATIONS OF THE ASSIGNEES TO HOLD THE INTEREST IN THE LEASE;
2. SUBMISSION OF PROPER BOND BY THE JOINT-VENTURE ASSIGNEES;
3. SUBMISSION OF PROPER EVIDENCE OF AUTHORITY OF THE PRESIDENT OF THE TECOLOTE COMPANY TO ASSIGN ITS INTEREST IN STATE OIL AND GAS LEASE P.R.C. 2205.1; AND
4. SUBMISSION OF PROPER EVIDENCE OF AUTHORITY OF THE ASSIGNEES TO ACCEPT THE ASSIGNMENT;

AND SUBJECT TO THE JOINT-VENTURE ASSIGNEES BEING BOUND BY THE TERMS AND CONDITIONS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEE.

Attachment

Calendar Item 37 (2 pages)

CALENDAR ITEM

SUPPLEMENTAL

37.

(ASSIGNMENT OF PARTIAL INTEREST, STATE OIL AND GAS LEASE P.R.C. 2205.1, THE TECOLOTE COMPANY, SANTA BARBARA COUNTY - W. O. 3047.)

On July 25, 1958, State Oil and Gas Lease P.R.C. 2205.1 was issued to Phillips Petroleum Company, Edwin W. Pauley, The Tecolote Company, et al., joint bidders, pursuant to competitive bidding in accordance with Division 6 of the Public Resources Code.

An application has been received from The Tecolote Company, a Nebraska corporation, a joint lessee, for the assignment of its interest in Lease P.R.C. 2205.1 to a joint venture comprising -

1. PETER KIEWIT SONS' CO., a Nebraska corporation, with its headquarters office located in the Omaha National Bank Building, Omaha, Nebraska;
2. COKER CONSTRUCTION COMPANY, INC., a Delaware corporation, with its headquarters office located at 6120 North 16th Street, Omaha, Nebraska;
3. CONDON-CUNNINGHAM, INC., a Nebraska corporation, with its headquarters office located at 4229 Lafayette Street, Omaha, Nebraska;
4. W. CLARKE SWANSON, an individual, domiciled in the State of Nebraska, doing business under his own name and maintaining his business office at 1210 Douglas Street, Omaha, Nebraska; and
5. GILBERT C. SWANSON, an individual, domiciled in the State of Nebraska, doing business under his own name and maintaining his business office at 1210 Douglas Street, Omaha, Nebraska.

Section 4 of the lease provides for the assignment, transfer, or sublease, with the approval of the State, as to all or any part of the leased lands ... to any person, association of persons, or corporation which, at the time of the proposed assignment, transfer, or sublease, possesses the qualifications provided for in Chapter 3, Part 2, Division 6 of the Public Resources Code. Peter Kiewit Sons' Co., W. Clarke Swanson, and Gilbert C. Swanson have submitted evidence of qualifications as required by law. Coker Construction Company, Inc., and Condon-Cunningham, Inc., will be required to submit evidence of qualifications as required by law. The bond obligations required by the lease will have to be met by all of the assignees who are parties to the herein concerned joint venture.

It will be required of the applicant, The Tecolote Company, that satisfactory evidence be furnished showing the authority of its President to assign the rights of The Tecolote Company in Lease P.R.C. 2205.1; said evidence to be submitted to the Commission in the form of a resolution of the Board of Directors of The Tecolote Company authorizing the assignment, and in the form of proper acknowledgment of the signature of its President substantially in compliance with Sections 1190 and 1190.1, California Civil Code.

SUPPLEMENTAL 37. (CONTD.)

A form of assignment has been executed by the assignor, The Tecolote Company. The \$5 statutory filing fee has been paid by the applicant.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE ASSIGNMENT OF A PARTIAL INTEREST IN STATE OIL AND GAS LEASE P.R.C. 2205.1 FROM THE TECOLOTE COMPANY, A NEBRASKA CORPORATION, TO A JOINT VENTURE COMPRISING PETER KIEWIT SONS' CO., A NEBRASKA CORPORATION; COKER CONSTRUCTION COMPANY, INC., A DELAWARE CORPORATION; CONDON-CUNNINGHAM, INC., A NEBRASKA CORPORATION; W. CLARKE SWANSON, AN INDIVIDUAL; AND GILBERT C. SWANSON, AN INDIVIDUAL, SUBJECT TO THE FOLLOWING:

1. SUBMISSION OF EVIDENCE OF QUALIFICATIONS BY COKER CONSTRUCTION COMPANY, INC., A DELAWARE CORPORATION, AND CONDON-CUNNINGHAM, INC., A NEBRASKA CORPORATION;
2. SUBMISSION OF PROPER BOND BY THE JOINT-VENTURE ASSIGNEES; AND
3. SUBMISSION OF PROPER EVIDENCE OF AUTHORITY OF THE PRESIDENT OF THE TECOLOTE COMPANY TO ASSIGN ITS INTEREST IN STATE OIL AND GAS LEASE P.R.C. 2205.1;

AND SUBJECT TO THE JOINT VENTURE ASSIGNEES BEING BOUND BY THE TERMS AND CONDITIONS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEE.